

Form OP-186
Connecticut Individual Use Tax Return
For the year January 1 - ► December 31, 2004

For Calendar Year **2004**

Your First Name and Middle Initial ►		Last Name ►		Your Social Security Number _ _ _ _ _ : : : _ _ _ _ _	
If a Joint Return, Spouse's First Name and Middle Initial ►		Last Name ►		Spouse's Social Security Number _ _ _ _ _ : : : _ _ _ _ _	
Home Address ►		Number and Street ►		PO Box ►	
City, Town or Post Office ►		State ►		ZIP Code ►	
For Department Use Only					

Use this form to report purchases of goods or services subject to Connecticut use tax for calendar year 2004. Use the form to report either a single transaction or multiple transactions for the same calendar year. (Instead of using this form, you may use Line 15 on **Form CT-1040**, Line 7 on **Form CT-1040EZ**, Line 17 on **Form CT-1040NR/PY**, or Line 9 on the **Telefile** worksheet to report your use tax.)

Name and ID: Enter your name and Social Security Number at the top of this form, and if applicable, your spouse's name and Social Security Number. You may file either a separate or a joint return regardless of your filing status for income tax purposes.

Calendar Year: You may file more than one form for a given calendar year, but do not combine transactions for different years.

- Part I.**
- | | |
|---|--|
| Column 1 - Enter the month, day, and year of the purchases. | Column 5 - Multiply the purchase price in Column 4 by 6% (.06) or the applicable rate, and enter the result. |
| Column 2 - Enter a brief description of the taxable items or services purchased, such as jewelry, a boat, etc. | Column 6 - Enter the tax, if any, correctly paid to another jurisdiction on the taxable item purchased. |
| Column 3 - Enter the name of the retailer from which the item or service was purchased. | Column 7 - Subtract the amount entered in Column 6 from the amount entered in Column 5 and enter the difference in Column 7. Calculate Total Amount Due. (If less than zero, enter 0, and do not file this form.) |
| Column 4 - Enter the purchase price. | |

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Date of Purchase	Description of Goods or Services	Retailer or Service Provider	Purchase Price	CT Tax Due (.06 X Col. 4)*	Tax Paid to Another Jurisdiction	Balance Due (Col. 5 minus Col. 6 but not less than zero)

If no use tax is due, you are not required to file a use tax return.

*See Question 4 on the back of this form for information about tax rates on certain services.

Penalty: For failure to pay tax when due - 10% (.10) of the tax due.

Interest: For late payment - 1% (.01) of tax due per month, or fraction of a month, from due date.

Note: Additional interest accrues on the 16th day of each month.

Total Tax ►		00
Penalty ►		00
Interest ►		00
Total Amount Due ►		00

Part II. Check one of the following, whichever applies:

- A. ☐ This return represents all purchases subject to use tax made during the calendar year listed above.
- B. ☐ This return represents one of the following:
A single taxable purchase made during the calendar year listed above; **or**
Multiple taxable purchases made through a date prior to the end of the calendar year listed above; **or**
A subsequent return for the calendar year listed above for items not previously reported.

Note: Do not mail this return with your income tax return. A separate check must accompany this return.

Make check or money order payable to: **Commissioner of Revenue Services**. Write **2004 Individual Use Tax** on your check or money order. Writing your Social Security Number(s) on the front of your check ensures accuracy and timeliness in processing your payment. Mail this return with check or money order to: Department of Revenue Services, PO Box 2973, Hartford CT 06104-2973.

Due Date: This return may be filed at the time of purchase, but not later than April 15 for purchases made during the preceding calendar year. Do not file this return for use tax that was already paid on a motor vehicle, snowmobile, vessel, or aircraft upon registration.

Declaration: I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Sign Here Keep a copy for your records	Your Signature		Date	Spouse's Signature		Date
	Paid Preparer's Signature			Date		Preparer's SSN or PTIN
	Firm Name and Address			Federal Employer ID Number		

Questions and Answers on the Connecticut Individual Use Tax

Here are answers to some commonly-asked questions about the Connecticut use tax. Understanding use tax provisions is important because failure to comply can result in payment of interest and penalties. You must pay the Connecticut use tax on taxable goods and services when a Connecticut merchant fails to collect Connecticut sales tax from you or when you purchase taxable goods or services for use in Connecticut from an out-of-state merchant.

1. **Q. What is the use tax?**

- A.** Use tax is the tax you pay when Connecticut sales tax is not paid to a retailer. The use tax is complementary to the sales tax. Together, the sales and use taxes act to tax Connecticut purchasers equally, whether they purchase goods and services within or without Connecticut.

2. **Q. On what kinds of goods or services must I pay use tax?**

- A.** You must pay use tax on taxable tangible personal property, whether purchased or leased. Examples of taxable tangible personal property include items of clothing costing \$50 or more, automobiles, appliances, furniture, jewelry, cameras, VCRs, computers, and computer software. Some taxable services include repair services to your television, motor vehicle, or computer; landscaping services for your home; reupholstering services for your household furniture; or certain charges for access to on-line computer services.

3. **Q. Are there exemptions from the use tax?**

- A.** Yes. Some examples are items of clothing that cost less than \$50 or repair and maintenance services to vessels.

4. **Q. What is the use tax rate?**

- A.** In general, the use tax rate for purchases of taxable goods or services is 6%. However, computer and data processing services are taxed at 1%.

5. **Q. What if a Connecticut retailer doesn't collect tax from me on a sale of taxable goods or services?**

- A.** You must report the use tax liability on your Connecticut income tax return, **Forms CT-1040EZ, Connecticut EZ Resident Income Tax Return, CT-1040, Connecticut Resident Income Tax Return, CT-1040NR/PY, Connecticut Nonresident or Part-Year Resident Income Tax Return, Form 2004 Telefile, Connecticut Income Tax Return, or Form OP-186, Connecticut Individual Use Tax Return**, for purchases made during the preceding calendar year.

6. **Q. When must individuals pay the use tax?**

- A.** You must file your Connecticut income tax return by April 15 for the preceding calendar year. If you are not required to file a Connecticut income tax return, you must pay the use tax using **Form OP-186**. You may file **Form OP-186** for the entire year or you may file several returns throughout the year, but, in either case, Form OP-186 is due by April 15 for the preceding calendar year. If the purchases are made in connection with a trade or business carried on by an individual, see Question 12.

7. **Q. What if I buy taxable goods or services from an out-of-state mail-order company, television shopping channel, or computerized shopping service and no Connecticut tax is charged by the vendor?**

- A.** If you buy goods or services for use in Connecticut, you must report the use tax liability on your Connecticut income tax return or **Form OP-186** for purchases you made during the preceding calendar year.

8. **Q. What if I buy taxable goods or services in another state and the vendor charges sales tax for the other state?**

- A.** If the goods or services were purchased for use in Connecticut, and you have taken title to the goods outside Connecticut, and the tax correctly paid to the other state is less than the Connecticut tax, you must report and pay the use tax. Your use tax is the difference between the Connecticut tax and the tax paid to the other state. If the tax paid to the other state is equal to or more than the Connecticut tax, you owe no use tax to Connecticut. There is no refund for tax paid to another state when that state's tax rate exceeds 6%.

Example: You purchased a \$1,000 refrigerator in another state, and paid a \$50 tax to that state. If you bought the refrigerator for use in Connecticut, you owe Connecticut use tax. The Connecticut tax of \$60 is reduced to \$10, after allowing \$50 credit for the tax paid to the other state. If no tax was paid to the other state, the Connecticut use tax is \$60.

9. **Q. Is an out-of-state merchant misleading me if he tells me I do not need to pay Connecticut use tax?**

- A.** Yes. While you may not have to pay sales tax in the state where you bought the goods or services, you **must** pay Connecticut use tax on taxable goods or services purchased for use in Connecticut.

10. **Q. Do I owe Connecticut use tax on all my out-of-state purchases of taxable goods and services?**

- A.** No. If all the items you purchased and **brought into** Connecticut at one time total \$25 or less, you do not have to pay Connecticut use tax. The \$25 exemption does not apply to items that are **shipped or mailed** to you.

11. **Q. Can an out-of-state business, such as a mail-order company, collect Connecticut use tax on taxable goods that are mailed or delivered into Connecticut?**

- A.** Yes. If the business is registered to collect Connecticut use tax, it must collect the tax from you. If the business is not registered, then you must report and pay the tax yourself.

12. **Q. Does a person engaged in a trade or business have to pay use tax on purchases made for the trade or business?**

- A.** Yes. If the person makes taxable purchases of goods or services out-of-state for use in a trade or business (such as office furniture, computers, and supplies), that person should be registered with DRS for business use tax purposes and report purchases on **Form OS-114, Sales and Use Tax Return**. (See **Informational Publication 2003(31), Q & A on the Connecticut Use Tax for Businesses and Professions**.)

13. **Q. What are the penalties and interest for not paying the use tax?**

- A.** The penalty is 10% of the tax due. Interest is charged at the rate of 1% per month from the due date of the tax return. There are also criminal sanctions for willful failure to file a tax return.

14. **Q. What are the use tax filing requirements for motor vehicles, snowmobiles, vessels, and aircraft?**

- A.** Generally, if the item is not purchased from a retailer, the Connecticut Department of Motor Vehicles collects the use tax when you register a motor vehicle, snowmobile, or vessel. You must report the use tax liability on aircraft on your Connecticut income tax return or on **Form OP-186**. If you do not intend to register your motor vehicle, snowmobile, or vessel immediately after you purchase it, you must report the use tax liability for purchases made during the prior calendar year on your Connecticut income tax return or Form OP-186. If the purchase is made in connection with a trade or business carried on by an individual, see Question 12.

15. **Q. On what amount should the use tax be calculated?**

- A.** Calculate the use tax by multiplying the total cost of the taxable goods or services purchased, including separately stated charges such as shipping and handling, by the tax rate (generally 6%).

For More Information: Forms and publications are available by calling **860-297-4753** (from anywhere), or **1-800-382-9463** (in-state) and select **Option 2**. TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling **860-297-4911**. Internet: preview and download forms and publications from the DRS Web site at **www.ct.gov/DRS**